



**ARKANSAS INSURANCE DEPARTMENT
LEGAL DIVISION**

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November 2, 2000

BULLETIN 2000-5

TO: ALL LICENSED INSURERS, ALL LICENSED HMO'S, ALL LICENSED HOSPITAL & MEDICAL SERVICE CORPORATIONS, ALL LICENSED STIPULATED PREMIUM PLAN & MUTUAL ASSESSMENT LIFE AND DISABILITY INSURERS, ALL LICENSED FARMERS MUTUAL AID ASSOCIATIONS (FMAA'S), ALL LICENSED FRATERNAL BENEFIT SOCIETIES, ALL REGISTERED RISK RETENTION & PURCHASING GROUPS, NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS (NAIC), LICENSED AUTOMOBILE CLUBS & ASSOCIATIONS, AND OTHER LICENSEES AND LIMITED LICENSEES, ALL AGENT TRADE ASSOCIATIONS, AND OTHER INTERESTED PARTIES

FROM: ARKANSAS INSURANCE DEPARTMENT

SUBJECT: **ADOPTION OF EMERGENCY RULE AND REGULATION 73, "COMPLIANCE DATE FOR PRIVACY PROVISIONS UNDER GRAMM-LEACH-BLILEY ACT," EFFECTIVE UPON FILING**

The Insurance Commissioner has adopted Emergency Rule and Regulation 73, "Compliance Date for Federal Privacy Provisions under Gramm-Leach-Bliley Act." This Emergency Rule 73 extends the time for compliance with such privacy standards until July 1, 2001. Emergency Rule 73 was effective immediately upon filing. A copy of Emergency Rule 73 is enclosed for your review.

In connection with implementing the privacy standards under the Gramm-Leach Bliley Act and applicable Arkansas law, the Commissioner intends to implement a regulation entitled "PRIVACY OF CONSUMER FINANCIAL AND HEALTH INFORMATION REGULATION." This proposed regulation will be similar to the model regulation on this subject adopted by the National Association of Insurance Commissioners on September 26, 2000. The proposed regulation will be applicable to insurers, health maintenance organizations, producers and any other entity licensed, authorized or required to be authorized by the Arkansas Insurance Department and to any entity conducting the business of insurance in Arkansas. A copy of the proposed regulation is attached. The Arkansas Insurance Department ("AID") encourages entities impacted by the proposed regulation to forward comments concerning the proposed regulation to Associate Counsel Sara Farris. The AID expects to hold a public hearing concerning the proposed regulation in early 2001.

All insurers, HMOs, and limited licensees are to inform their adjusters and appointed agents of this compliance date.

Please contact Associate Counsel Sara Farris in the Legal Division at 501-371-2820 with questions.

Attachments

MIKE PICKENS
INSURANCE COMMISSIONER